



Statement Regarding
House Bill 6369: *An Act Concerning Economic Development*
and Job Creation
Senate Bill 1066: *An Act Concerning Reorganization of State Economic*
Development Agencies
Commerce Committee
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Good morning Chairmen LeBeau and Berger and members of the committee. My name is John Shemo. I am the Vice President and Director of Development of the MetroHartford Alliance. The MetroHartford Alliance is Hartford's Chamber of Commerce and the region's economic development leader. Our investors include businesses of all sizes, health care providers, institutions of higher education, and 34 municipalities. The Alliance's mission is to ensure that the Hartford Region competes aggressively and successfully for jobs, capital and talent so that it thrives as one of the country's premier places for all people to live, work, play and raise a family.

The MetroHartford Alliance is generally supportive of the intent of House Bill 6369, *An Act Concerning Economic Development and Job Creation*. There are obvious efficiencies that should accrue with the consolidation of several state agencies. As with any such major reorganization, the devil will be in the details. We recognize that the current bill is a work in progress. While the proposed consolidations have the potential to save the state money, such proposals must be thoroughly scrutinized to ensure cost savings.

Similarly the proposed reorganization must be carefully thought through to maintain and/or increase the level of effectiveness of economic development related initiatives. While such initiatives as the promotion of regional agencies, tourism, and the promotion of Connecticut as a location for producing digital media are important and heartily endorsed by the Alliance, they must ultimately be sufficiently funded to produce the desired results. The Alliance endorses mutual cooperation and opportunities that may accrue from such cooperation between the Department of Economic and Community Development and established economic development focused agencies such as ours.

Additionally, it is essential that the consolidations proposed by this bill result in consistent long-term economic development policy and programs. To that end, as it relates to the Board of Directors of the Connecticut Economic Innovation Authority, the Alliance offers two recommendations: a) fix and stagger directors' terms, and b) appoint "standing" representatives from existing business related organizations (i.e. Connecticut Venture Group, Connecticut Community Investment Corporation), being careful to avoid conflicts of interest. Such appointments and terms would provide for some level of continuity over time.

In regards to a related bill, Senate Bill 1066, *An Act Concerning Reorganization of the State Economic Development Agencies*, the same issues raised above would apply. In many sections of the bill, the recommendation is made to have the Department of Community Development contract with other state agencies, for-profit companies or non profit organizations to administer or deliver various programs. The Alliance heartily endorses this concept as a means to enhance the effectiveness of existing or proposed programs and generate greater efficiencies and results. The Alliance and allied agencies are well positioned to assist the State in the execution of various economic development related programs including business retention, business recruitment, marketing, industry cluster development, strategic planning, and tourism. In fact, many municipalities today consider the Alliance an extension of the State's economic development initiatives in spite of the fact that the Alliance's programs are primarily funded by the private sector.

These comments are not meant to reflect a comprehensive review and critique of two fairly lengthy pieces of legislation, but rather more broad recommendations for your consideration.

Thank you for your time and attention.